



January 28, 2015

Judson Lea
Clinic Manager
Aegis Treatment Centers, LLC
590 Rio Lindo Ave
Chico, 95926

Angela Garner
Deputy Director
Division of State Demonstrations and Waivers
Center for Medicaid and CHIP Services, CMS
7500 Security Boulevard, Mail Stop S2-01-16
Baltimore, MD 21244-1850

**Re: Proposed California Amendment to Bridge to Health Reform
Demonstration (No. 11-W-00193/9), Drug Medi-Cal Organized
Delivery System Waiver**

Dear Ms. Garner:

I write on behalf of the 450 patients who receive substance use disorder treatment services at our opiate treatment program located at 590 Rio Lindo Ave, Chico. We are strongly opposed to sections of the California Bridge to Reform Demonstration (No. 11-W-00193/9) Amendment for Drug Medi-Cal Organized Delivery System Waiver, submitted by the California Department of Health Care Services. Our concern, based on sixteen years in operation, is that waiving federal access protections and granting Butte County authority to establish reimbursement rates will result in decreased access to critical, life-saving treatment services.

Specifically, the current proposal will waive beneficiary freedom of choice, equality in amount, duration and scope, state wideness and reasonable promptness, some of which form the basis of a lawsuit 20 years ago called Sobky Vs. Smoley. As a result, significantly more people have entered treatment and beneficiaries can access medically-necessary treatment on demand, without the waiting lists that were standard practice before the lawsuit. This waiver is likely to overturn that lawsuit and cause the California and Butte County to regress back more than 20 years. We ask that CMS **NOT** do anything that may undermine the permanent injunction that was based on overwhelming evidence of county efforts to limit access. Instead, we suggest CMS require California to carve-out opiate treatment providers from this waiver. Such carve-out will not preclude Butte County from contracting with our program and offering OTP services to residents of Butte County.

Health care reform (the Affordable Care Act) has significantly increased access to OTP services. This waiver will undermine the intent of the ACA.

The proposed appeals process for providers whose contract are terminated is superficial and extremely limited, only allowing appeals when a county determines they have an adequate network, but not in the case of a county that simply wants to limit funding or a county that simply wants to use a pretext to reduce access. Moreover, there are no metrics for determining network adequacy.

As recently as January 2015 a Placer County official told Aegis that the county had made the decision to “opt-in” to a new system that requires all new

patients to be screened by the county prior to entering a methadone clinic. Thus, medicaid beneficiaries who make the difficult and often tentative decision to end dependence on opioids would need to travel to a county clinic, potentially wait several days, and be screened before they could enter treatment. The likelihood is that potential new patients would never make it to a methadone clinic due to the delay.

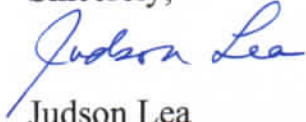
As of July 2010, 18 of 58 California counties refused or were unable to administer contracts with some or all Drug Medi-Cal providers operating in their counties. Many counties that do administer the program, regularly impose barriers to access such as efforts to reduce funding, limit slots or oppose new locations. County resistance is related to several factors. Some county governing bodies (Boards of Supervisors) and behavioral health administrators are philosophically opposed to treating opioid addiction with methadone.

Substance use disorders, especially drug addiction, carry a stigma. There is an uninformed belief that drug addicts are not deserving of scarce government resources and that methadone treatment simply substitutes one drug for another. The reality is that stereotypes, fear, and speculation will affect county control of narcotic treatment programs and administration of the Drug Medi-Cal system.

In summary, Aegis Treatment Centers' clinic in Chico requests that narcotic treatment programs be exempted from the Organized Delivery System waiver for the above stated reasons.

If you would like more information, please do not hesitate to contact me.
Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Judson Lea". The signature is fluid and cursive, with the first name "Judson" and the last name "Lea" clearly distinguishable.

Judson Lea
Clinic Manager